



Trade News Digest

INTERNATIONAL TRADE DIVISION
MINISTRY OF FOREIGN AFFAIRS, REGIONAL INTEGRATION
AND INTERNATIONAL
TRADE

Issue 55

January 2019

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The UK-ESA Agreement

Mauritius currently trades with the UK under the Interim Economic Partnership Agreement (iEPA). In 2017, the UK and 4 Eastern and Southern Africa States (ESA), namely Mauritius, Seychelles, Madagascar and Zimbabwe, agreed to initiate a process to explore ways of maintaining the terms of the current iEPA between UK and the ESA after BREXIT.

Technical negotiations on the UK-ESA Economic Partnership Agreement were completed in September 2018. The Agreement was signed on 31st January 2019.

The Agreement will ensure predictability and continuity in the trade relations between the UK and ESA States on similar conditions as under

the iEPA. The UK-ESA Agreement will come into force upon the UK leaving the EU.

Mauritius will continue to export all its products duty free on the UK market. The Agreement also contains provisions for future engagement between ESA and UK which will cover areas such as trade in services, investment, trade facilitation, competition policy, trade facilitation, amongst others.

Interim Economic Partnership Agreement (IEPA) between ESA States and the EU



The 7th meeting of the joint EPA Committee between EU and ESA states (Comoros, Madagascar, Mauritius, Seychelles and Zimbabwe) and the first negotiating session on the deepening and widening of the iEPA was held on 22 January and 23-24 January 2019 respectively in Brussels.

The Technical meeting on deepening and widening of iEPA dealt exclusively with the joint ESA-EU scoping paper, which would provide the basis for negotiating a detailed Agreement between the ESA and the EU.

Issues discussed in terms of the scope included inter alia Agriculture Safeguard, Customs & Trade Facilitation, Rules of Origin, Intellectual Property, Development Cooperation, amongst others. As regards the EPA implementation issues, a request for additional resources to meet the trade challenges was made.

A Digital Video Conference is scheduled for mid-February 2019 to address outstanding issues on the joint ESA-EU scoping paper.

Madagascar - Safeguard on Pasta and Related Products



In October 2018, Madagascar notified the WTO membership that it had started a safeguard investigation on import of pasta and related products. Mauritius notified the Malagasy side that it is an interested party and will make submissions as appropriate.

On 7 January 2019, Madagascar notified the Committee on Safeguard of the World Trade Organisation that it has completed a preliminary investigation which demonstrated, according to them serious inquiry to the domestic industry. Moreover, in line with Article 12(4) of the Agreement on Safeguard, it introduced a provisional safeguard measure on imports of pasta products made from wheat flour or durum semolina in the form of a 30% ad valorem tax on the CIF value of the imported products.

The preliminary investigation carried out by the Autorité Nationale chargée des Mesures Correctives Commerciales (ANMCC) concluded that the increasing volume of imports of pasta and noodles has led to serious injury to its local pasta producing industry. The report did not distinguish between pasta and noodles and examined the trend as a whole.

Mauritius submitted a comprehensive Aide Memoire to the ANMCC and attended a public hearing on 5 February 2019. We argued that the introduction of the measure was unwarranted as the investigation did not show sufficient evidence proving serious injury or threat of serious injury to the Malagasy pasta industry. In addition, Mauritius appealed to the Malagasy authorities to distinguish between pasta products and instant noodles as the increase in imports concern the former.

Mauritius also pointed out that the measure will have drastic consequences for the noodle industry in Mauritius as Madagascar is one of our main buyers.

Members kick off 2019 with first cluster of fisheries subsidies meetings



In line with the January to July 2019 work programme for fisheries subsidies negotiations defined by the Negotiating Group on Rules in December 2018, WTO members held their first cluster of fisheries subsidies meetings for the year on 14-18 January 2019. The cluster of meetings comprised a mix of bilateral talks, other member-organized discussions, and consultations open to all delegations.

The focus of the open-ended consultations was around four main topics: subsidies to illegal, unreported and unregulated (IUU) fishing; subsidies to fishing where stocks are overfished; subsidies contributing to fishing overcapacity and to overfishing; and cross-cutting issues which include special and differential treatment for developing and least-developed members, dispute settlement, institutional issues, and notification and transparency.

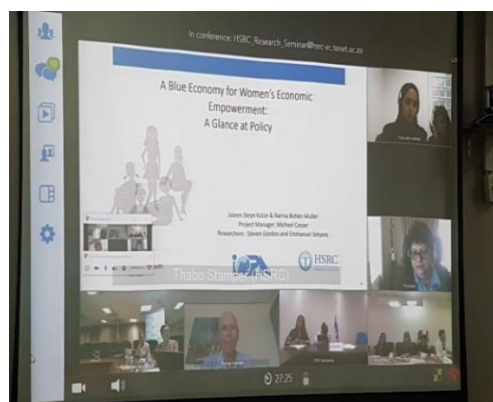
Four delegates were selected to act as facilitators for each of these areas and they reported to the Negotiating Group their impressions of where the negotiations stood and what issues emerged during the week.

Moreover, some members indicated they were working with other delegations on drafting new language for certain areas of the fisheries subsidies disciplines, for consideration by the Negotiating Group.

The next cluster of fisheries subsidies meetings will be held from 25 February to 1 March 2019.

Source: World Trade Organisation

IORA - Webinar on Women's Economic Empowerment in the Blue Economy



A Webinar on Women's Economic Empowerment in the Blue Economy was held on 24 January 2019 at the Ministry.

The Webinar was conducted in the context of a research being conducted by the Human Resources Research Council based in South Africa, focusing on a policy analysis of women's economic inclusion in the blue economy.

The outcome of the webinar was to debrief on the preliminary findings and recommendations of the study and to obtain feedback of the audience on the matter. The focus of the presentation was on transformative policy for gender mainstreaming and to link policy with empowerment of women. The speaker emphasised that there was a need to educate people to think in the lines of empowering women in the area of blue economy, which is a generally male dominated sector. This includes aquaculture, oceanography, fisheries sector, research, maritime security, seaports and ship management, etc. There is a need to connect academic groups for information exchange to enhance capacity building in the area of blue economy, thereby, creating inclusiveness of women in the area and increasing the participation of women in the sector.

Governments need to invest in a maritime college, with emphasis on enrolment of women. Lastly, the speaker encouraged Governments to designate more women policy makers in IORA conferences and workshops/trainings.

The presentation and findings of the study will be circulated to Member states in due course and will be presented to a ministerial meeting later this year.

National Workshop on Trade in Services (29-31 January 2019)



The Ministry of Foreign Affairs, Regional Integration and International Trade, in collaboration with the World Trade Organisation (WTO) organised a three day National workshop on Trade in Services on 29-31 January 2019 at the Hennessy Park Hotel, Ebene .

Negotiations on trade in services are a highly complex and technically demanding exercise. Hence, a workshop is considered a necessity for Mauritian negotiators to master the concepts and negotiating techniques.

The purpose of this National Workshop was to introduce participants to key concepts of the WTO General Agreement on Trade in Services (GATS), scheduling guidelines for trade in services commitments and recent developments in the WTO trade in services discussions. Other important issues pertaining to trade in services negotiations such as domestic regulation, services classification, and preferential trade agreements were also covered.

Some 40 participants from the public sector and private sector participated in the workshop. The workshop was conducted by Mr Jelito Markus and Mr Magdeleine Joscelyn, both counsellors at the WTO Secretariat.

SADC - The Integration Milestones

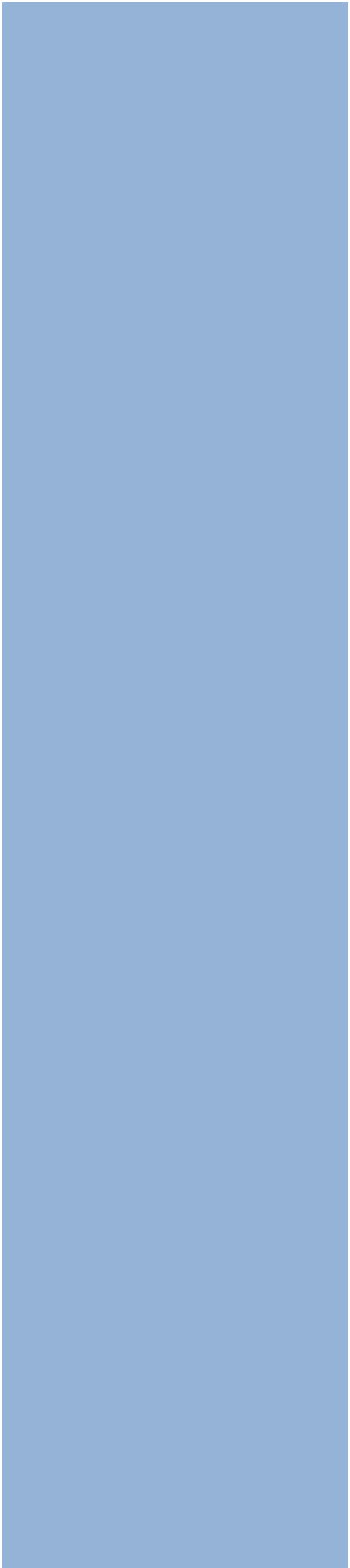


The SADC Regional Indicative Strategic Development Plan (RISDP) outlines a series of milestones to be achieved within the context of the SADC Common Agenda. These Integration Milestones help the Southern African Development Community (SADC) and its partners to measure the progress that is being made towards the ultimate objective of the Regional Indicative Strategic Development Plan: Deepen the integration agenda of SADC with a view to accelerating poverty eradication and the attainment of other economic and non-economic development goals.

The targets and timeframes for the Integration Milestones are as follows, as endorsed by the SADC Heads of State and Government:

- 1) Free Trade Area;
- 2) Customs Union;
- 3) Common Market;
- 4) Monetary Union;
- 5) Single Currency.

While a move towards the establishment of a Customs Union remains an integral part of the region's economic integration process, there was need to decisively address and overcome the following practical realities on the ground in order to achieve a functional and effective Customs Union:

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- (a) overlapping membership of most Member States in similar trading arrangements;
 - (b) divergent trade policies and strategies and economic conditions among Member States;
 - (c) varied tariff levels amongst Member States, in particular, countries with low tariff regimes, which may have to raise their tariffs in order to correspond to the proposed CET;
 - (d) varied WTO tariff bindings of Member States, which may require compensatory tariff adjustment to affected WTO Members;
 - (e) existence of bilateral trading arrangements of Member States with third parties;
 - (f) varied dependence of Member States on customs revenue; and
 - (g) unique circumstances of island states which do not share land borders with other SADC Member States and only accessible by sea and air trade routes.

The SADC Secretariat has commissioned a study to facilitate a comprehensive evaluation of the progress made towards the SADC Customs Union.

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The views reflected in the Trade News Digest are those of the staff of the International Trade Division and should under no circumstances be considered as binding upon the Ministry.